

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. CONTRACT ID CODE		PAGE OF PAGES 1 9									
2. AMENDMENT/MODIFICATION NO. P00006		3. EFFECTIVE DATE See Block 16C		4. REQUISITION/PURCHASE REQ. NO. Admin		5. PROJECT NO. (If applicable)									
6. ISSUED BY Office of Naval Research LCDR Jon Pagnucco (703) 696-0989 jonathan.pagnucco@navy.mil 875 North Randolph Street Suite 1425 Arlington VA 22203		CODE N00014		7. ADMINISTERED BY (If other than Item 6) DCMA ATLANTA 2300 LAKE PARK DRIVE SUITE 300 SMYRNA GA 30080		CODE S1103A									
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) Advanced Technology International Attn: Scott Savoie 315 Sigma Drive Summerville SC 29486				(x)											
				9A. AMENDMENT OF SOLICITATION NO.											
				9B. DATED (SEE ITEM 11)											
				10A. MODIFICATION OF CONTRACT/ORDER NO. N00014-16-D-4001											
CODE 1G3V8		FACILITY CODE		10B. DATED (SEE ITEM 13) 02/09/2016											
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS															
<input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended. <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.															
12. ACCOUNTING AND APPROPRIATION DATA (If required) N/A															
13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.															
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;">CHECK ONE</td> <td>A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.</td> </tr> <tr> <td></td> <td>B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).</td> </tr> <tr> <td></td> <td>C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:</td> </tr> <tr> <td style="text-align: center;">X</td> <td>D. OTHER (Specify type of modification and authority) Bilateral Modification IAW FAR 43.103(a) and FAR 52.215-12 Subcontractor Certified Cost or Pricing</td> </tr> </table>								CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.		B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).		C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:	X	D. OTHER (Specify type of modification and authority) Bilateral Modification IAW FAR 43.103(a) and FAR 52.215-12 Subcontractor Certified Cost or Pricing
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	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:														
X	D. OTHER (Specify type of modification and authority) Bilateral Modification IAW FAR 43.103(a) and FAR 52.215-12 Subcontractor Certified Cost or Pricing														
E. IMPORTANT: Contractor <input type="checkbox"/> is not. <input checked="" type="checkbox"/> is required to sign this document and return <u>1</u> copies to the issuing office.															
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) The purpose of this modification is to include FAR clauses 52.204-23, 52.215-11, 52.215-12, 52.215-13, and 52.230-2 under N00014-16-D-4001 at no additional cost to the Government. Also, due to a system error, Section J - List of Documents, Exhibits and Other Attachments appears to be revised, this modification does not revise Section J.															
15A. NAME AND TITLE OF SIGNER (Type or print)				16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Jonathan Pagnucco											
15B. CONTRACTOR/OFFEROR (Signature of person authorized to sign)		15C. DATE SIGNED		16B. UNITED STATES OF AMERICA (b)(6)		16C. DATE SIGNED 11/21/2018									
				(Signature of Contracting Officer)											

Except as provided herein, all terms and conditions of the document referenced in Item 9 A or 10A, as heretofore changed, remains unchanged and in full force and effect.

Section I - Contract Clauses was revised as follows.

1 - Contract Clauses was revised as follows.

Table has been revised and now reads as follows:

Clauses Included by Reference

Clause Database	Clause Number	Clause Title	Item List
FAR	52.202-1	Definitions. (NOV 2013)	
FAR	52.203-3	Gratuities. (APR 1984)	
FAR	52.203-5	Covenant Against Contingent Fees. (MAY 2014)	
FAR	52.203-6	Restrictions on Subcontractor Sales to the Government. (SEP 2006)	
FAR	52.203-7	Anti-Kickback Procedures. (MAY 2014)	
FAR	52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity. (MAY 2014)	
FAR	52.203-10	Price or Fee Adjustment for Illegal or Improper Activity. (MAY 2014)	
FAR	52.203-12	Limitation on Payments to Influence Certain Federal Transactions. (OCT 2010)	
FAR	52.203-13	Contractor Code of Business Ethics and Conduct. (OCT 2015)	
FAR	52.203-16	Preventing Personal Conflicts of Interest. (DEC 2011)	
FAR	52.204-2	Security Requirements. (AUG 1996)	
FAR	52.204-4	Printed or Copied Double-Sided on Postconsumer Fiber Content Paper. (MAY 2011)	
FAR	52.204-10	Reporting Executive Compensation and First-Tier Subcontract Awards. (OCT 2016)	
FAR	52.204-19	Incorporation by Reference of Representations and Certifications. (DEC 2014)	
FAR	52.204-23	Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities. (JUL 2018)	
FAR	52.209-6	Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment. (OCT 2015)	
FAR	52.209-9	Updates of Publicly Available Information Regarding Responsibility Matters. (JUL 2013)	
FAR	52.210-1	Market Research. (APR 2011)	
FAR	52.211-15	Defense Priority and Allocation Requirements. (APR 2008)	
FAR	52.215-2	Audit and Records - Negotiation. (OCT 2010)	
FAR	52.215-8	Order of Precedence - Uniform Contract Format. (OCT 1997)	
FAR	52.215-10	Price Reduction for Defective Certified Cost or Pricing Data. (AUG 2011)	
FAR	52.215-12	Subcontractor Certified Cost or Pricing Data. (OCT 2010)	
FAR	52.215-14	Integrity of Unit Prices. (OCT 2010)	
FAR	52.215-14	Integrity of Unit Prices. (OCT 2010) - Alternate I (OCT 1997)	
FAR	52.215-15	Pension Adjustments and Asset Reversions. (OCT 2010)	
FAR	52.215-17	Waiver of Facilities Capital Cost of Money. (OCT 1997)	
FAR	52.215-18	Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions. (JUL 2005)	
FAR	52.215-19	Notification of Ownership Changes. (OCT 1997)	
FAR	52.215-21	Requirements for Certified Cost or Pricing Data and Data	

Clause Database	Clause Number	Clause Title	Item List
		Other Than Certified Cost or Pricing Data - Modifications. (OCT 2010)	
FAR	52.215-23	Limitations on Pass-Through Charges. (OCT 2009)	
FAR	52.215-23	Limitations on Pass-Through Charges. (OCT 2009) -- Alternate I (OCT 2009)	
FAR	52.216-7	Allowable Cost and Payment. (JUN 2013)	
FAR	52.216-8	Fixed Fee. (JUN 2011)	
FAR	52.219-4	Notice of Price Evaluation Preference for HUBZone Small Business Concerns. (OCT 2014)	
FAR	52.219-8	Utilization of Small Business Concerns. (OCT 2014)	
FAR	52.219-9	Small business subcontracting plan. (OCT 2015)	
FAR	52.219-16	Liquidated Damages - Subcontracting Plan. (JAN 1999)	
FAR	52.219-28	Post-Award Small Business Program Rerepresentation. (JUL 2013)	
FAR	52.222-1	Notice to the Government of Labor Disputes. (FEB 1997)	
FAR	52.222-2	Payment for Overtime Premiums. (JUL 1990)	
FAR	52.222-3	Convict Labor. (JUN 2003)	
FAR	52.222-21	Prohibition of segregated facilities. (APR 2015)	
FAR	52.222-26	Equal Opportunity. (APR 2015)	
FAR	52.222-37	Employment Reports on Veterans. (OCT 2015)	
FAR	52.222-40	Notification of Employee Rights Under the National Labor Relations Act. (DEC 2010)	
FAR	52.222-50	Combating Trafficking in Persons. (MAR 2015)	
FAR	52.222-54	Employment Eligibility Verification. (OCT 2015)	
FAR	52.223-5	Pollution Prevention and Right-to-Know Information. (MAY 2011)	
FAR	52.223-6	Drug-Free Workplace. (MAY 2001)	
FAR	52.223-18	Encouraging Contractor Policies to Ban Text Messaging While Driving. (AUG 2011)	
FAR	52.225-13	Restrictions on Certain Foreign Purchases. (JUN 2008)	
FAR	52.227-1	Authorization and Consent. (DEC 2007)	
FAR	52.227-1	Authorization and Consent. (DEC 2007) -- Alternate I (APR 1984)	
FAR	52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement. (DEC 2007)	
FAR	52.227-10	Filing of Patent Applications - Classified Subject Matter. (DEC 2007)	
FAR	52.227-11	Patent Rights-Ownership by the Contractor. (MAY 2014)	
FAR	52.228-7	Insurance - Liability to Third Persons. (MAR 1996)	
FAR	52.230-2	Cost Accounting Standards. (OCT 2015)	
FAR	52.230-6	Administration of Cost Accounting Standards. (JUN 2010)	
FAR	52.232-9	Limitation on Withholding of Payments. (APR 1984)	
FAR	52.232-17	Interest. (MAY 2014)	
FAR	52.232-20	Limitation of Cost. (APR 1984)	
FAR	52.232-22	Limitation of Funds. (APR 1984)	
FAR	52.232-23	Assignment of Claims. (MAY 2014)	
FAR	52.232-25	Prompt payment. (JUL 2013)	
FAR	52.232-33	Payment by Electronic Funds Transfer - System for Award Management. (JUL 2013)	
FAR	52.232-40	Providing Accelerated Payments to Small Business Subcontractors. (DEC 2013)	
FAR	52.233-1	Disputes. (MAY 2014)	
FAR	52.233-4	Applicable Law for Breach of Contract Claim. (OCT 2004)	
FAR	52.242-1	Notice of Intent to Disallow Costs. (APR 1984)	

Clause Database	Clause Number	Clause Title	Item List
FAR	52.242-3	Penalties for Unallowable Costs. (MAY 2014)	
FAR	52.242-4	Certification of Final Indirect Costs. (JAN 1997)	
FAR	52.242-13	Bankruptcy. (JUL 1995)	
FAR	52.243-2	Changes - Cost-Reimbursement. (AUG 1987) - Alternate V (APR 1984)	
FAR	52.244-2	Subcontracts. (OCT 2010)	
FAR	52.244-5	Competition in Subcontracting. (DEC 1996)	
FAR	52.244-6	Subcontracts for Commercial Items. (DEC 2015)	
FAR	52.245-1	Government Property. (APR 2012)	
FAR	52.245-1	Government Property. (APR 2012) - Alternate II (APR 2012)	
FAR	52.245-9	Use and Charges (APR 2012)	
FAR	52.246-25	Limitation of Liability - Services. (FEB 1997)	
FAR	52.249-6	Termination (Cost-Reimbursement). (MAY 2004)	
FAR	52.249-14	Excusable Delays. (APR 1984)	
FAR	52.251-1	Government Supply Sources. (APR 2012)	
FAR	52.253-1	Computer Generated Forms. (JAN 1991)	
DFARS	252.201-7000	Contracting Officer's Representative. (DEC 1991)	
DFARS	252.203-7000	Requirements Relating to Compensation of Former DoD Officials. (SEP 2011)	
DFARS	252.203-7001	Prohibition on persons convicted of fraud or other defense-contract-related felonies. (DEC 2008)	
DFARS	252.203-7002	Requirement to Inform Employees of Whistleblower Rights. (SEP 2013)	
DFARS	252.203-7003	Agency Office of the Inspector General. (DEC 2012)	
DFARS	252.203-7004	Display of Hotline Posters. (OCT 2015)	
DFARS	252.204-7000	Disclosure of information. (AUG 2013)	
DFARS	252.204-7003	Control of Government Personnel Work Product. (APR 1992)	
DFARS	252.204-7004	Alternate A, System for Award Management. (FEB 2014)	
DFARS	252.204-7005	Oral Attestation of Security Responsibilities. (NOV 2001)	
DFARS	252.204-7006	Billing Instructions. (OCT 2005)	
DFARS	252.204-7010	Requirement for Contractor to Notify DoD if the Contractor's Activities are Subject to Reporting Under the U.S.-International Atomic Energy Agency Additional Protocol. (JAN 2009)	
DFARS	252.204-7012	Safeguarding covered defense information and cyber incident reporting. (OCT 2016)	
DFARS	252.205-7000	Provision of Information to Cooperative Agreement Holders. (DEC 1991)	
DFARS	252.209-7001	Reserved.	
DFARS	252.209-7004	Subcontracting with Firms that are Owned or Controlled by the Government of a Country that is a State Sponsor of Terrorism. (OCT 2015)	
DFARS	252.211-7003	Item unique identification and valuation. (DEC 2013)	
DFARS	252.211-7007	Reporting of Government-Furnished Property. (AUG 2012)	
DFARS	252.211-7008	Use of Government-Assigned Serial Numbers. (SEP 2010)	
DFARS	252.215-7000	Pricing Adjustments. (DEC 2012)	
DFARS	252.215-7002	Cost Estimating System Requirements. (DEC 2012)	
DFARS	252.215-7008	Only One Offer. (OCT 2013)	
DFARS	252.219-7003	Small Business Subcontracting Plan (DoD Contracts). (OCT 2014)	
DFARS	252.219-7004	Small business subcontracting plan (test program). (OCT 2014)	

Clause Database	Clause Number	Clause Title	Item List
DFARS	252.222-7006	Restrictions on the Use of Mandatory Arbitration Agreements. (DEC 2010)	
DFARS	252.223-7004	Drug-Free Work Force. (SEP 1988)	
DFARS	252.223-7006	Prohibition on Storage, Treatment, and Disposal of Toxic or Hazardous Materials. (SEP 2014)	
DFARS	252.225-7012	Preference for Certain Domestic Commodities. (FEB 2013)	
DFARS	252.225-7013	Duty-free entry. (NOV 2014)	
DFARS	252.225-7031	Secondary Arab Boycott of Israel. (JUN 2005)	
DFARS	252.225-7048	Export-Controlled Items. (JUN 2013)	
DFARS	252.226-7001	Utilization of Indian organizations, Indian-owned economic enterprises, and native Hawaiian small business concerns. (SEP 2004)	
DFARS	252.227-7013	Rights in technical data-Noncommercial items. (FEB 2014)	
DFARS	252.227-7014	Rights in noncommercial computer software and noncommercial computer software documentation. (FEB 2014)	
DFARS	252.227-7016	Rights in bid or proposal information. (JAN 2011)	
DFARS	252.227-7017	Identification and assertion of use, release, or disclosure restrictions. (JAN 2011)	
DFARS	252.227-7025	Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends. (MAY 2013)	
DFARS	252.227-7027	Deferred Ordering of Technical Data or Computer Software. (APR 1988)	
DFARS	252.227-7030	Technical Data - Withholding of Payment. (MAR 2000)	
DFARS	252.227-7037	Validation of restrictive markings on technical data. (JUN 2013)	
DFARS	252.227-7038	Patent Rights - Ownership by the Contractor (Large Business). (JUN 2012)	
DFARS	252.231-7000	Supplemental Cost Principles. (DEC 1991)	
DFARS	252.232-7003	Electronic Submission of Payment Requests and Receiving Reports. (JUN 2012)	
DFARS	252.235-7011	Final Scientific or Technical Report. (JAN 2015)	
DFARS	252.239-7001	Information Assurance Contractor Training and Certification. (JAN 2008)	
DFARS	252.242-7005	Contractor Business Systems. (FEB 2012)	
DFARS	252.242-7006	Accounting System Administration. (FEB 2012)	
DFARS	252.243-7002	Requests for equitable adjustment. (DEC 2012)	
DFARS	252.244-7001	Contractor Purchasing System Administration. (MAY 2014)	
DFARS	252.245-7001	Tagging, Labeling, and Marking of Government-Furnished Property (APR 2012)	
DFARS	252.245-7002	Reporting Loss of Government Property. (APR 2012)	
DFARS	252.245-7003	Contractor Property Management System Administration (APR 2012)	
DFARS	252.245-7004	Reporting, Reutilization, and Disposal. (MAR 2015)	
DFARS	252.246-7000	Material Inspection and Receiving Report. (MAR 2008)	
DFARS	252.247-7023	Transportation of supplies by sea. (APR 2014)	
DFARS	252.251-7000	Ordering From Government Supply Sources. (AUG 2012)	

Clauses Included by Full Text

Summary of Clause Changes:

Clause 52.215-13 is incorporated as follows:

FAR Deviations 52.215-13 Subcontractor Certified Cost or Pricing Data–Modifications (Deviation 2018-O0015)(May 2018)

(a) The requirements of paragraphs (b) and (c) of this clause shall—

(1) Become operative only for any modification of a subcontract that was awarded prior to July 1, 2018, involving a pricing adjustment expected to exceed \$750,000, or any modification of a subcontract that awarded on or after July 1, 2018, involving a pricing adjustment expected to exceed \$2 million; and

(2) Be limited to such modifications.

(b) Unless an exception under FAR 15.403-1 applies, the Contractor shall require the subcontractor to submit certified cost or pricing data (actually or by specific identification in writing), in accordance with FAR 15.408, Table 15-2 (to include any information reasonably required to explain the subcontractor's estimating process such as the judgmental factors applied and the mathematical or other methods used in the estimate, including those used in projecting from known data, and the nature and amount of any contingencies included in the price)—

(1) Before modifying any subcontract that was awarded prior to July 1, 2018, involving a pricing adjustment expected to exceed \$750,000, or

(2) Before modifying any subcontract that was awarded on or after July 1, 2018, involving a pricing adjustment expected to exceed \$2 million.

(c) The Contractor shall require the subcontractor to certify in substantially the form prescribed in FAR 15.406-2 that, to the best of its knowledge and belief, the data submitted under paragraph (b) of this clause were accurate, complete, and current as of the date of agreement on the negotiated price of the subcontract or subcontract modification.

(d) The Contractor shall insert the substance of this clause, including this paragraph (d), in each subcontract that exceeds \$2 million.

Clause 52.215-12 is incorporated as follows:

FAR Deviations 52.215-12 Subcontractor Certified Cost or Pricing Data (Deviation 2018-O0015)(May 2018)

(a) Unless an exception under FAR 15.403-1 applies, the Contractor shall require the subcontractor to submit certified cost or pricing data (actually or by specific identification in

writing), in accordance with FAR 15.408, Table 15-2 (to include any information reasonably required to explain the subcontractor's estimating process such as the judgmental factors applied and the mathematical or other methods used in the estimate, including those used in projecting

from known data, and the nature and amount of any contingencies included in the price) –

(1) Before awarding any subcontract expected to exceed \$750,000 prior to July 1, 2018, or modifying any subcontract that was awarded prior to July 1, 2018, involving a pricing adjustment expected to exceed \$750,000, or

(2) Before awarding any subcontract expected to exceed \$2 million on or after July 1, 2018, or modifying any subcontract that was awarded on or after July 1, 2018, involving a pricing adjustment expected to exceed \$2 million.

(b) The Contractor shall require the subcontractor to certify in substantially the form prescribed in FAR 15.406-2 that, to the best of its knowledge and belief, the data submitted under paragraph (a) of this clause were accurate, complete, and current as of the date of agreement on the negotiated price of the subcontract or subcontract modification.

(c) In each subcontract that exceeds the threshold for submission of certified cost or pricing data at FAR 15.403-4, when entered into, the Contractor shall insert either—

(1) The substance of this clause, including this paragraph (c), if paragraph (a) of this clause requires submission of certified cost or pricing data for the subcontract; or

(2) The substance of the clause at FAR 52.215-13, Subcontractor Certified Cost or Pricing Data—Modifications (DEVIATION 2018-O0015).

Clause 52.230-2 is incorporated as follows:

FAR Deviations 52.230-2 Cost Accounting Standards (DEVIATION 2018-O0015) (MAY 2018)

(a) Unless the contract is exempt under 48 CFR 9903.201-1 and 9903.201-2, the provisions of 48 CFR Part 9903 are incorporated herein by reference and the Contractor, in connection with this contract, shall—

(1) (CAS-covered Contracts Only) By submission of a Disclosure Statement, disclose in writing the Contractor's cost accounting practices as required by 48 CFR 9903.202-1 through 9903.202-5, including methods of distinguishing direct costs from indirect costs and the basis used for allocating indirect costs. The practices disclosed for this contract shall be the same as the practices currently disclosed and applied on all other contracts and subcontracts being performed by the Contractor and which contain a Cost Accounting Standards (CAS) clause. If the Contractor has notified the Contracting Officer that the Disclosure Statement contains trade secrets and commercial or financial information which is privileged and confidential, the Disclosure Statement shall be protected and shall not be released outside of the Government.

(2) Follow consistently the Contractor's cost accounting practices in accumulating and reporting contract performance cost data concerning this contract. If any change in cost accounting practices is made for the purposes of any contract or subcontract subject to CAS requirements, the change must be applied prospectively to this contract and the Disclosure Statement must be amended accordingly. If the contract price or cost allowance of this contract is affected by such changes, adjustment shall be made in accordance with paragraph (a)(4) or (a)(5) of this clause, as appropriate.

(3) Comply with all CAS, including any modifications and interpretations indicated thereto contained in 48 CFR Part 9904, in effect on the date of award of this contract or, if the Contractor has submitted certified cost or pricing data, on the date of final agreement on price as shown on the Contractor's signed certificate of current cost or pricing data. The Contractor shall also comply with any CAS (or modifications to CAS) which hereafter become applicable to a contract or subcontract of the Contractor. Such compliance shall be required prospectively from the date of applicability to such contract or subcontract.

(4)(i) (Agree to an equitable adjustment as provided in the Changes clause of this contract if the contract cost is affected by a change which, pursuant to paragraph (a)(3) of this clause, the Contractor is required to make to the Contractor's established cost accounting practices.

(ii) Negotiate with the Contracting Officer to determine the terms and conditions under which a change may be made to a cost accounting practice, other than a change made under other provisions of paragraph (a)(4) of this clause; provided that no agreement may be made under this provision that will increase costs paid by the United States.

(iii) When the parties agree to a change to a cost accounting practice, other than a change under subdivision (a)(4)(i) of this clause, negotiate an equitable adjustment as provided in the Changes clause of this contract.

(5) Agree to an adjustment of the contract price or cost allowance, as appropriate, if the Contractor or a subcontractor fails to comply with an applicable Cost Accounting Standard, or to follow any cost accounting practice consistently and such failure results in any increased costs paid by the United States. Such adjustment shall provide for recovery of the increased costs to the United States, together with interest thereon computed at the annual rate established under section 6621(a)(2) of the Internal Revenue Code of 1986 (26 U.S.C. 6621(a)(2)) for such period, from the time the payment by the United States was made to the time the adjustment is effected. In no case shall the Government recover costs greater than the increased cost to the Government, in the aggregate, on the relevant contracts subject to the price adjustment, unless the Contractor made a change in its cost accounting practices of which it was aware or should have been aware at the time of price negotiations and which it failed to disclose to the Government.

(b) If the parties fail to agree whether the Contractor or a subcontractor has complied with an applicable CAS in 48 CFR 9904 or a CAS rule or regulation in 48 CFR 9903 and as to any cost adjustment demanded by the United States, such failure to agree will constitute a dispute under 41 U.S.C. chapter 71, Contract Disputes.

(c) The Contractor shall permit any authorized representatives of the Government to examine and make copies of any documents, papers, or records relating to compliance with the requirements of this clause.

(d) The Contractor shall include in all negotiated subcontracts which the Contractor enters into, the substance of this clause, except paragraph (b), and shall require such inclusion in all other subcontracts, of any tier, including the obligation to comply with all CAS in effect on the subcontractor's award date or if the subcontractor has submitted certified cost or pricing data, on the date of final agreement on price as shown on the subcontractor's signed Certificate of Current Cost or Pricing Data. If the subcontract is awarded to a business unit which pursuant to 48 CFR 9903.201-2 is subject to other types of CAS coverage, the substance of the applicable clause set forth in subsection 30.201-4 of the Federal Acquisition Regulation shall be inserted.

This requirement shall apply only to negotiated subcontracts in excess of \$2 million, except that

the requirement shall not apply to negotiated subcontracts otherwise exempt from the requirement to include a CAS clause as specified in 48 CFR 9903.201-1.

Clause 52.230-3 is incorporated as follows:

FAR Deviations 52.230-3 Disclosure and Consistency of Cost Accounting Practices (DEVIATION 2018-O0015) (MAY 2018)

(a) The Contractor, in connection with this contract, shall—

(1) Comply with the requirements of 48 CFR 9904.401, Consistency in Estimating, Accumulating, and Reporting Costs; 48 CFR 9904.402, Consistency in Allocating Costs Incurred for the Same Purpose; 48 CFR 9904.405, Accounting for Unallowable Costs; and 48 CFR 9904.406, Cost Accounting Standard—Cost Accounting Period, in effect on the date of award of this contract as indicated in 48 CFR Part 9904.

(2) (CAS-covered Contracts Only) If it is a business unit of a company required to submit a Disclosure Statement, disclose in writing its cost accounting practices as required by 48 CFR 9903.202-1 through 9903.202-5. If the Contractor has notified the Contracting Officer that the Disclosure Statement contains trade secrets and commercial or financial information which is privileged and confidential, the Disclosure Statement shall be protected and shall not be released outside of the Government.

(3)(i) Follow consistently the Contractor's cost accounting practices. A change to such practices may be proposed, however, by either the Government or the Contractor, and the Contractor agrees to negotiate with the Contracting Officer the terms and conditions under which a change may be made. After the terms and conditions under which the change is to be made have been agreed to, the change must be applied prospectively to this contract, and the Disclosure Statement, if affected, must be amended accordingly.

(ii) The Contractor shall, when the parties agree to a change to a cost accounting practice and the Contracting Officer has made the finding required in 48 CFR 9903.201-6(c), that the change is desirable and not detrimental to the interests of the Government, negotiate an equitable adjustment as provided in the Changes clause of this contract. In the absence of the required finding, no agreement may be made under this contract clause that will increase costs paid by the United States.

(4) Agree to an adjustment of the contract price or cost allowance, as appropriate, if the Contractor or a subcontractor fails to comply with the applicable CAS or to follow any cost accounting practice, and such failure results in any increased costs paid by the United States. Such adjustment shall provide for recovery of the increased costs to the United States together with interest thereon computed at the annual rate established under section 6621(a)(2) of the Internal Revenue Code of 1986 (26 U.S.C. 6621(a)(2)), from the time the payment by the United States was made to the time the adjustment is effected.

(b) If the parties fail to agree whether the Contractor has complied with an applicable CAS, rule, or regulation as specified in 48 CFR 9903 and 9904 and as to any cost adjustment demanded by the United States, such failure to agree will constitute a dispute under 41 U.S.C. chapter 71, Contract Disputes.

(c) The Contractor shall permit any authorized representatives of the Government to examine and make copies of any documents, papers, and records relating to compliance with the requirements of this clause.

(d) The Contractor shall include in all negotiated subcontracts, which the Contractor enters into, the substance of this clause, except paragraph (b), and shall require such inclusion in all other subcontracts of any tier, except that—

(1) If the subcontract is awarded to a business unit which pursuant to 48 CFR 9903.201-2 is subject to other types of CAS coverage, the substance of the applicable clause set forth in subsection 30.201-4 of the Federal Acquisition Regulation shall be inserted.

(2) This requirement shall apply only to negotiated subcontracts in excess of \$2 million.

(3) The requirement shall not apply to negotiated subcontracts otherwise exempt from the requirement to include a CAS clause as specified in 48 CFR 9903.201-1.

Section J - List of Documents, Exhibits and Other Attachments was revised as follows.

1 - List of Attachments, Exhibits, and Enclosures was revised as follows.

Attachments Added on this Action

Number	Title	Date

Except as amended herein, all other terms and conditions remain the same and unchanged under N00014-16-D-4001.